

ROBBINS ARROYO LLP
BRIAN J. ROBBINS (190624)
brobbins@robbinsarroy.com
CRAIG W. SMITH (164886)
csmith@robbinsarroyo.com
ASHLEY R. RIFKIN (246602)
arifkin@robbinsarroyo.com
STEVEN R. WEDEKING (235759)
swedeking@robbinsarroyo.com
5040 Shoreham Place
San Diego, CA 92122
Telephone: (619) 525-3990
Facsimile: (619) 525-3991

Attorneys for Plaintiff

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

TERRENCE ZEHRER, Derivatively On Behalf
of APPLE INC.,

Plaintiff,

vs.

TIMOTHY D. COOK, LUCA MAETRI, CRAIG
FEDERIGHI, ARTHUR D. LEVINSON,
ALBERT GORE, JR., ANDREA JUNG, JAMES
A. BELL, RONALD D. SUGAR, ROBERT A.
IGER, and SUSAN L. WAGNER

Defendants,

-and-

APPLE INC., a Delaware corporation,

Nominal Defendant.

Case No. 5:19-cv-05153 EJD

JOINT STIPULATION AND ~~[PROPOSED]~~
ORDER STAYING ACTION

1 WHEREAS, on August 19, 2019, plaintiff Terrence Zehrer ("Plaintiff") filed a stockholder
2 derivative complaint ("Complaint") purportedly on behalf of nominal defendant Apple Inc. ("Apple" or
3 the "Company") alleging breach of fiduciary duties, waste of corporate assets, unjust enrichment, and
4 violations of law against certain of the Company's officers and directors (collectively with Apple,
5 "Defendants") (Plaintiff and Defendants are collectively referred to herein as the "Parties");

6 WHEREAS, undersigned counsel for Apple has agreed to accept service for Defendants and waive
7 service of the summons;

8 WHEREAS, a consolidated consumer class action captioned *In re Apple Inc. Device Performance*
9 *Litigation*, No. 5:18-md-02827-EJD (N.D. Cal.) is currently pending in this Court (the "Consumer
10 Action"), and is factually related to this action;

11 WHEREAS, the parties to the Consumer Action recently informed the Court that they attended a
12 productive mediation, and have a follow up mediation set for September 28, 2019 (*see* Consumer Action
13 ECF No. 387);

14 WHEREAS, a consolidated securities fraud class action captioned *In re Apple Inc. Securities*
15 *Litigation*, No. 4:19-cv-02033-YGR (N.D. Cal.) is currently pending in this Court (the "Securities
16 Action"), and is factually related to this action;

17 WHEREAS, the Court-appointed lead plaintiff in the Securities Action is scheduled to file an
18 amended complaint on September 30, 2019, with briefing on the defendants' anticipated motion to dismiss
19 concluding in February 2020 and a hearing to be held on March 3, 2020;

20 WHEREAS, the Parties to this action believe that events may unfold in the Consumer Action and
21 Securities Action over the next six months that may promote the just and efficient case management of
22 this action: therefore, the Parties agree to temporarily stay all proceedings in this action for a period of six
23 months;

24 NOW THEREFORE, IT IS HEREBY STIPULATED AND AGREED by the parties, through their
25 respective counsel of record and subject to Court approval, as follows:

26 1. This action, including all deadlines and hearings, is hereby temporarily stayed for a period
27 of six months from the entry of an order approving this stipulation.

2. Any Party may lift the stay by providing thirty (30) days' written notice to the other Parties.

3. Within thirty (30) days of the expiration or lifting of the stay pursuant to paragraphs 1 or 2 hereof, the Parties shall meet and confer and submit to the Court a proposed case management schedule.

4. Plaintiff may file amended complaints during the pendency of the stay, and the filing of any such amended complaint shall not affect the pendency of the stay or trigger any obligation by Defendants to respond while the stay is pending.

5. The composition of Apple's Board of Directors that will be considered in connection with determining whether Plaintiff's complaint, amended or otherwise, has adequately pled that a pre-litigation demand on the Company's Board of Directors would have been futile shall be the composition of the Board of Directors as of August 19, 2019, the date this action was initiated.

6. This stay shall not preclude Plaintiff from pursuing, during the course of the stay, any rights he may have to inspect the Company's books and records pursuant to California Corporations Code section 1601 ("Section 1601"), nor shall it impact Apple's rights or defenses in response to any demand pursuant to Section 1601.

7. By entering into this stipulation, the Parties do not waive any rights or defenses not specifically addressed herein.

IT IS SO STIPULATED.

DATED: September 11, 2019

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STEVE R. WEDEKING

s/ Ashley R. Rifkin
ASHLEY R. RIFKIN

5040 Shoreham Place
San Diego, CA 92122
Telephone: (619) 525-3990
Facsimile: (619) 525-3991
E-mail: brobbins@robbinsarroyo.com
csmith@robbinsarroyo.com
arifkin@robbinsarroyo.com
swedeking@robbinsarroyo.com

Attorneys for Plaintiff

1 DATED: September 11, 2019

ORRICK HERRINGTON & SUTCLIFFE LLP
JAMES N. KRAMER

2
3 s/ James N. Kramer
JAMES N. KRAMER

4 The Orrick Building
5 405 Howard Street
6 San Francisco, CA 94105-2669
7 Telephone: (415) 773-5700
E-mail: jkramer@orrick.com

8 *Attorneys for Nominal Defendant Apple Inc.*
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SIGNATURE ATTESTATION

I, Ashley R. Rifkin, am the ECF user whose identification and password are being used to file the foregoing Stipulation and [Proposed] Order Staying Action. In compliance with Civil L.R. 5-1(i)(3), I hereby attest that concurrence in the filing of this document has been obtained.

Dated: September 11, 2019

/s/ Ashley R. Rifkin

Ashley R. Rifkin

~~PROPOSED~~ ORDER

PURSUANT TO STIPULATION, IT IS SO ORDERED

DATED: 9/12/2019



HON. EDWARD J. DAVILA
DISTRICT COURT JUDGE

The matter is stayed until March 12, 2020.